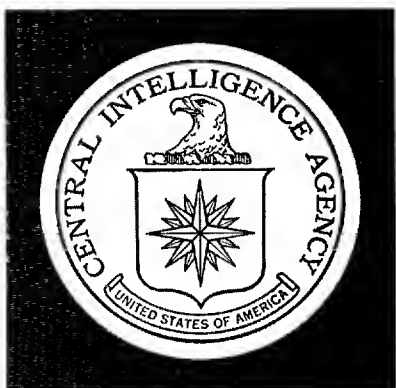


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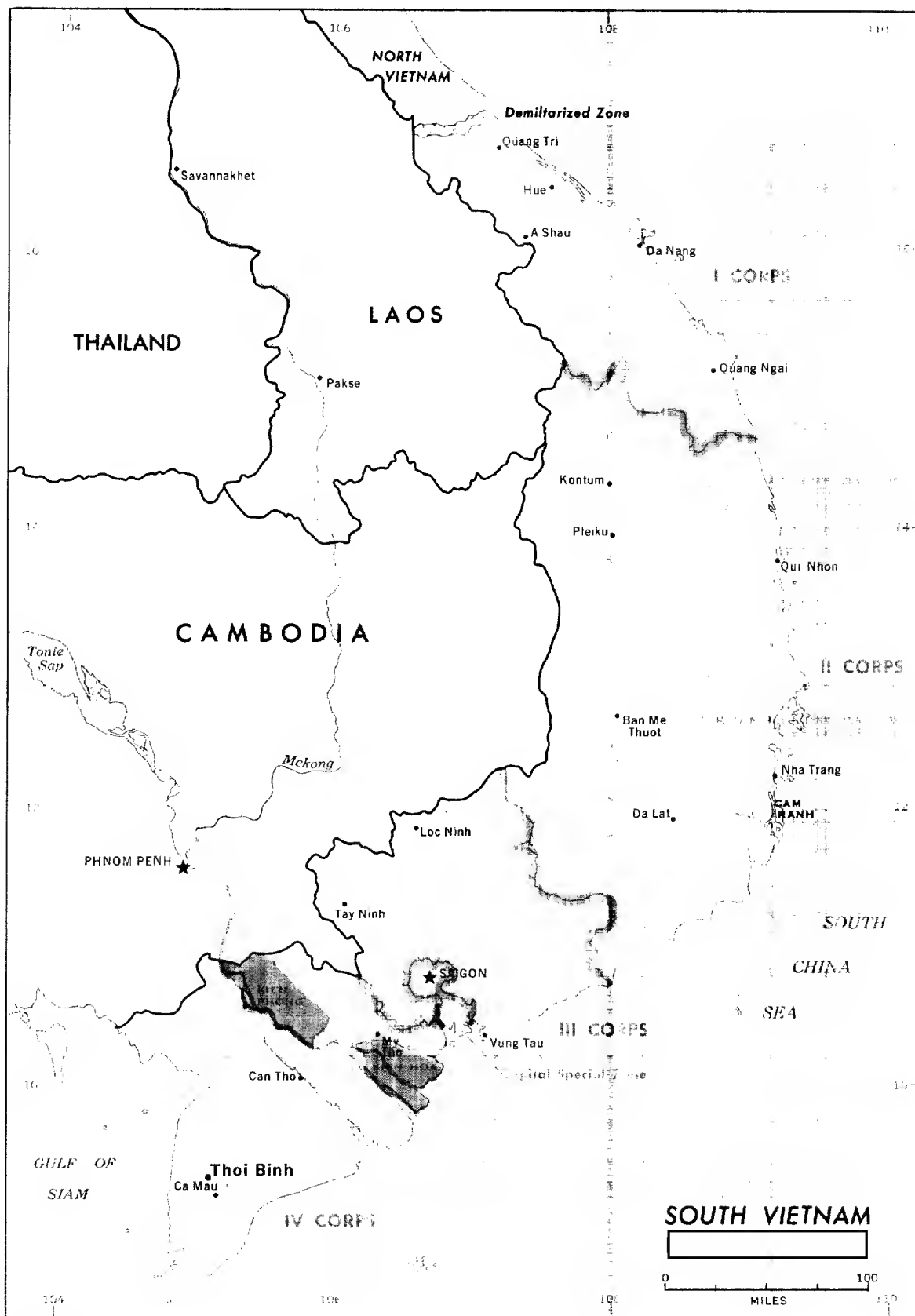
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[Vietnam: Military activity on 5-6 November remained relatively light.

There were no reports of Communist actions in the Demilitarized Zone area, and only one urban area--the town of Thoi Binh in An Xuyen Province--received a light mortar attack and ground probe. The Thoi Binh action was directed against military objectives within the town and resulted in light South Vietnamese casualties.

Results of the continuing South Vietnamese Army sweep operations in the northern delta provinces of Kien Hoa and Kien Phong now show 114 Viet Cong killed and South Vietnamese losses of 25 killed and 113 wounded.

* * * *

The Liberation Front representative at the Paris talks, Madame Nguyen Thi Binh, is stressing the Communist claim that she is there to participate in "preparatory" discussions, prior to the opening of "four-way" substantive talks. She has also asserted that the Front delegation is willing to begin these preliminary talks without the presence of the Saigon government's representative, claiming that the Front speaks for the "people" of South Vietnam. The fact that the Front delegation is emphasizing the preliminary nature of the upcoming meeting suggests that the Communists may intend to make the "preliminary" round a major phase of the talks. [REDACTED]

[REDACTED]

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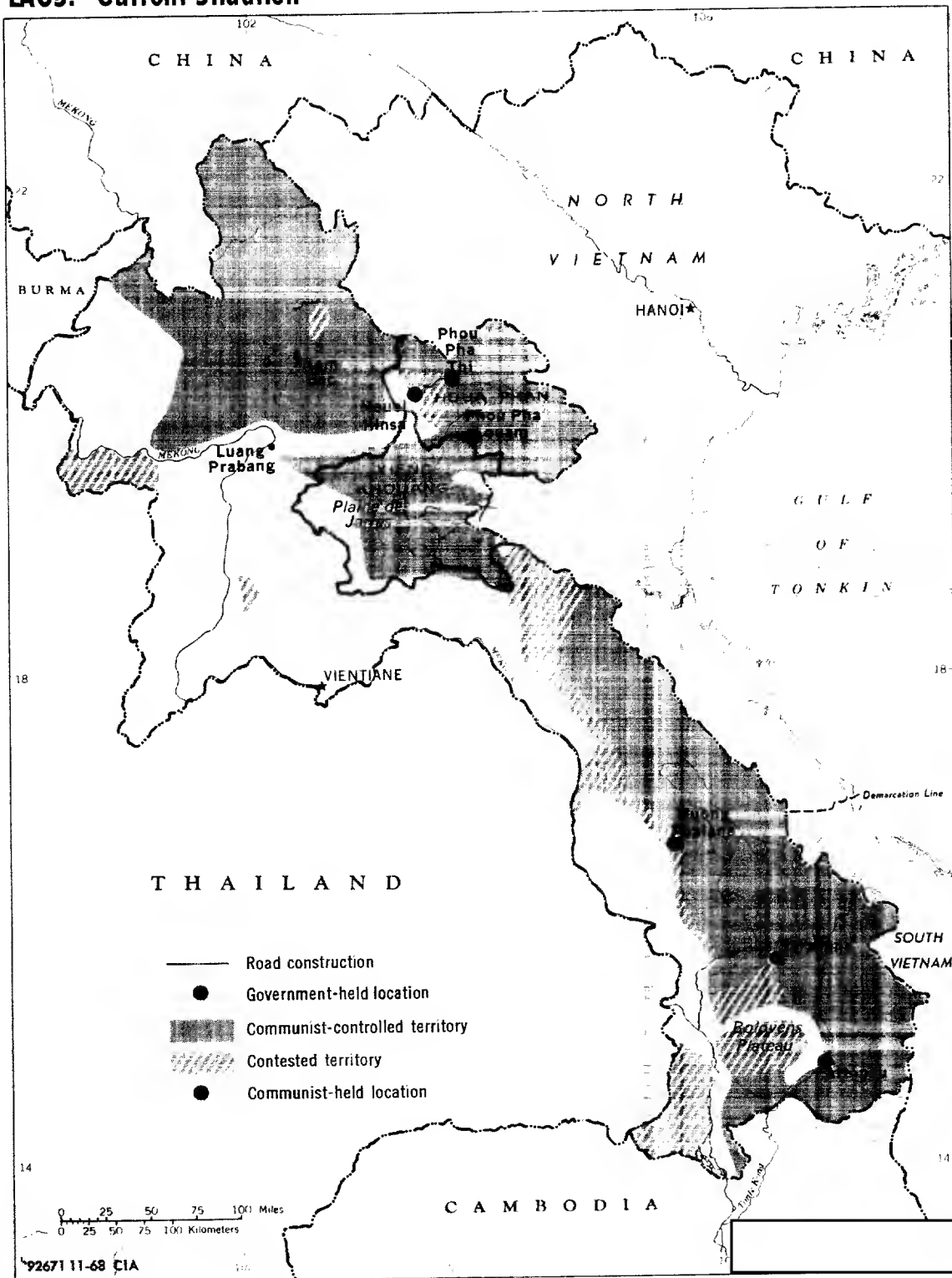
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LAOS: Current Situation



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Laos: No significant fighting has developed as the rains taper off, but signs still point to a resumption of Communist offensive activity during the coming dry season.

In the north, the enemy appears to be setting the stage for the annual effort against government guerrilla positions in Houa Phan and Xieng Khouang provinces. Roads are being constructed toward major government base areas, and in recent days the Communists have taken a number of outlying defensive positions in the Houei Hinsia area. An enemy buildup is also currently threatening the government forces at Phou Pha Louam, a position on Route 6 that has frequently changed hands.

In the Plaine des Jarres area, enemy forces have regained some positions lost last summer along the northern rim and have also moved on government forces positioned along the southern edge of the plain. The number of enemy troops involved in these moves suggests that the current offensive will remain a limited one.

In the south, Communist offensive activity continues to focus on Muong Phalane, which the government recaptured in August. Government air attacks have succeeded in keeping the enemy off balance, but it is doubtful the area could be held should the enemy choose to accept heavy casualties. If the enemy holds true to form, however, other offensive activity in the south probably will not start until the rice harvest is completed in late November.

(Map)

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Indonesia: Indonesian Communists are having trouble putting their party back together after their most recent reversal, the collapse early last summer of a guerrilla campaign in East Java.

25X1 [redacted] a provisional committee that assumed temporary leadership in September has concluded that the party must have a basic organizational structure before it can form a party program and select a new party leadership. Senior provincial cadre are scattered and demoralized; this has seriously hampered selection of a new politburo. The provisional committee now hopes that by the end of this year it can build on provincial committees to form a party organization that will be able to select a new politburo. The committee will dissolve itself if it is unsuccessful in carrying out this program.

Some party leaders are also concerned over divergent views on future party policy. Militants in East and Central Java continue to press for a program of armed struggle, while more pragmatic cadre believe that the creation of a strong and united party organization must take precedence.

25X1 Although the party will probably retain armed struggle as an eventual objective, its organizational disarray and lack of strong, cohesive leadership, coupled with continued government pressures, are likely to preclude any early Communist resurgence.

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USSR: The major Soviet anniversary statement took a relatively moderate and nonpolemical line on a number of key foreign policy issues.

In a speech on the eve of the Soviet Union's 51st anniversary, politburo member and First Deputy Premier Mazurov said that Moscow was working actively for a relaxation of international tensions and for the solution of "acute international problems" by negotiations. Mazurov specifically noted that the Soviet Union had expressed a readiness to negotiate with the US on a strategic arms limitation agreement. He also called on more nations to sign the nonproliferation treaty and urged that it be brought into force as soon as possible.

Mazurov took the conventional Soviet line on several other foreign policy problems. He said Moscow would continue to support North Vietnam until the Vietnamese people were allowed to decide their own destiny, and he called the US bombing halt decision a "success" for Hanoi. He reaffirmed Soviet support for the Arab nations and laid the blame for continued Middle East tensions on Israel and the West.

Mazurov's strongest words were used in defense of the invasion of Czechoslovakia. He singled out "extremist circles" as being guilty of using the policy of bridge building to export counterrevolution, and he said that antisocialist forces had been working within Czechoslovakia to tear that country from the socialist community. He added, however, that Moscow and its allies had shown this could not be done, and that now they have confidence in the Czechoslovak Communist Party.

On domestic issues, Mazurov called for a "high degree of organization and firm discipline," but he credited scientific progress for Soviet economic gains. He also had a word of praise for economic reform in the Soviet Union which he said will expedite the scientific-technical revolution. [REDACTED]

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Czechoslovakia: Anti-Soviet demonstrations similar to those last week may occur throughout the country today.

Czechoslovak troops have moved into Prague to discourage displays of anti-Russian sentiment on the anniversary of the Russian revolution. Unarmed soldiers and police last night sealed off a 15-block area around the National Theater where a Russian ballet performance was scheduled.

An estimated 4,000 Slovak students burned Soviet flags in the streets of Bratislava last night, but the police did not interfere, according to early Western press accounts. Czechoslovak authorities reportedly have banned public assemblies today, but student leaders have urged the youths to refrain from attending classes and to wear black to demonstrate their opposition to the invasion.

Thus far, the Soviets have been willing to let local Czechoslovak authorities handle disturbances, as called for in the status-of-forces agreement. By staying out of the population centers when demonstrations are in progress, the Soviets may be hoping that the affairs will pass without degenerating into full-scale riots.

Nevertheless, Moscow probably will consider the failure of Czechoslovak authorities to put a halt to anti-Soviet demonstrations as a violation of the Moscow agreements of August and October.

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[Mexico: Students have decided to continue their strike, and street demonstrations are likely to resume.

On 4 November the strike council set a time limit of ten days for the Diaz Ordaz administration to answer student demands. These include release of those still under arrest in connection with the crisis, the disbanding of the riot police, and a larger popular voice in the government.

Strike delegates are proselytizing at universities around the country, and a number of the provincial institutions have already expressed support. A teachers' strike was averted earlier this week by the President's grant of a substantial increase in salaries, but a Communist teachers' organization has offered to walk out in sympathy with the student movement.

The Education Ministry has been conciliatory, and has several times rescheduled examinations while appealing to the student body to avoid losing credit for last semester's work. The government has offered to "look into" some of the grievances but has made no further effort to accommodate the students.

A mass student assembly is scheduled tonight at one of the schools where violence broke out earlier in the crisis, and the aggressive tone of smaller assemblies over the past several days suggests that the month-long truce may soon end.

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France: An effort by the Socialist Party to breathe new life into the weak and divided left opposition probably will fail.

The party's national council at a recent meeting voted to open negotiations to create a "new Socialist party." This grouping would replace the Federation of the Democratic and Socialist Left, which is made up of the Socialists, the Radical Party, and the Convention of Republican Institutions. The Federation is the largest and most influential association of the non-Communist left, but since last June's parliamentary elections, it has been disintegrating. Last month its president, Francois Mitterrand, stated he would not head a "new Socialist party."

The Socialists' proposal is unlikely to arouse much enthusiasm because of the party's position that the new grouping must accept traditional Socialist doctrine. The Convention of Republican Institutions has insisted that any new party must be built upon a new foundation, which presumably would preclude rigid adherence to old doctrines. The Radicals, who will vote on creation of the new party at their congress later this month, have displayed an almost total lack of interest.

Another point of contention among the potential partners is what attitude any new association should assume toward cooperation with the French Communist Party. Relations between the non-Communist left and the Communists have deteriorated sharply since the June elections and the Czechoslovak crisis. [REDACTED]

[REDACTED]

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Yugoslavia: Yugoslavia has embarked on a new round of negotiations to finance its mounting hard-currency deficits in Western Europe.

The Yugoslav Investment Bank has received a \$24-million trade credit from a British bank. The credit, which carries a favorable rate of interest--5.5 percent--and provides for repayment in seven to ten years, will stimulate British exports and enlarge Britain's commercial presence in Yugoslavia.

Italy reportedly is considering favorably a recent request from Yugoslavia to refinance its outstanding debts to Italy. Also, a Yugoslav Government delegation is expected in Bonn later this month to discuss credit and financial problems. A West German trade official has said that Bonn will make efforts to extend new credits to Yugoslavia.

[REDACTED]

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Saudi Arabia - Rumania: Saudi Arabia has suspended shipments of crude oil to Rumania for an undetermined period.

The suspension apparently stems from the difficulties the Saudis are having in using the credits that have accrued to them from oil exports to Rumania. The approximately 370,000 tons of oil sent to Rumania so far this year have generated about \$3.8 million in credits.

A four-year agreement concluded in December 1967 calls for the exchange of nine to 12 million tons of Saudi crude for Rumanian industrial equipment. King Faysal, however, reportedly is prohibiting the entry of Rumanian equipment into Saudi Arabia. Efforts to use the credits through triangular deals with other countries have thus far been unsuccessful. It is also unlikely that a potential contractor for the construction of a new refinery in Saudi Arabia would accept the Rumanian credits as payment, except possibly at a very substantial discount. [REDACTED]

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Algeria-Morocco: Premier Boumediene, who recently has given the impression of being in sufficient control of domestic affairs to permit him wider latitude in foreign relations, plans to visit King Hassan in mid-November to resume discussions begun at the African summit in Algiers two months ago. These exchanges underline a marked improvement in Algerian-Moroccan relations during the past few months, and may presage a resolution of some fundamental issues between the two countries. The King and his officials, however, continue to be concerned about the growth of Soviet influence in Algeria and are wary of Boumediene's intentions. [REDACTED]

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Jamaica: Government spokesmen threaten to undermine Caribbean cooperation by continuing their xenophobic attacks on the political activities of non-Jamaican West Indians at the Kingston branch of the University of the West Indies. Since the rioting in Kingston on 16 October, both the government and the press have attributed much of the trouble to foreign agitators. On 2 November, Finance Minister Edward Seaga intimated that the regional university is sapping Jamaican nationalism and stated that the government may establish an independent institution. Trinidad Prime Minister Eric Williams appears concerned about the implications of these remarks and has called for a meeting of Caribbean leaders to discuss the future of the University of the West Indies. [REDACTED]

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